

**Change in Washington Earnings, 1989-1999:
A Report Based on the Census**

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**Total Earnings Change for Washington
Adults between 1989 and 1999**

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Change in Washington State earnings was examined for all Washington resident (including those working and not working) using the data from the 1990 and 2000 five percent Public Use Microdata Sample (PUMS), which provide data on earnings in the prior year. Earnings include wage, salary, commission, bonus, and tip income from all jobs before deductions and/or net income from self-employment.¹ Looking at all adults in Washington aged 18 to 64, regardless of work status, one finds that mean earnings for individuals in 1999 were up 20 percent, or \$4,759 from 1989 after adjusting for inflation (see mean earnings in Table 1).

**Table 1 – Total Earnings in Washington State for 18-64 Year Olds: 1989-1999,
Adjusted for Inflation (1999 dollars)**

	1989	1999	Change 1999-1989	% Change (1999/1989-1)
Mean	\$23,532	\$28,291	\$4,759	20%
Percentile				
10th	\$0	\$0	\$0	–
25th	\$3,835	\$4,700	\$865	23%
50th	\$17,897	\$20,000	\$2,103	12%
75th	\$34,516	\$39,300	\$4,784	14%
90th	\$51,136	\$60,000	\$8,864	17%

However, change in earnings was not uniform across the earnings distribution.

- In both 1989 and 1999, 17 percent of Washington's adult population earned zero dollars or less.
- The bottom quartile experienced the greatest percent increase in earnings, but also the smallest increase in terms of dollars gained. At the 25th percentile there was a 23 percent increase in earnings from 1989 to 1999, but this only resulted in an extra \$865 earned.
- While the 50th, 75th and 90th percentiles experienced slower growth rates in earnings over the period compared to the 25th percentile, the upper earning percentiles experienced greater gains in dollars. Earnings at the 50th percentile increased 12 percent or \$2,103 from 1989 to 1999. The 75th percentile was \$4,784 higher in 1999 than it was in 1989, over double the dollar increase experienced at the 50th percentile. Finally, the 90th percentile experienced a 17 percent or \$8,864 increase in earnings from 1989 to 1999.
- The 90th percentile experienced an increase in earnings that was over 10 times the size of the dollar increase experienced by the 25th percentile.
- However, the ratio of earnings at the 90th percentile to earnings at the 25th percentile, decreased from 13.3 in 1989 to 12.8 in 1999.
- The gap between high earners and all other earners grew between 1989 and 1999. The gap between the 25th and the 90th percentile increased from \$47,301 in 1989 to \$55,300 in 1999, a 17 percent increase.

¹ The 2000 Census topcoded wage and salary earnings at \$336,000 and self-employment earnings at \$245,000. Total earnings in 1999 were the sum of these two values. The 1990 Census total earnings adjusted for inflation were topcoded at \$500,320 (\$391,368 unadjusted).